

Fee Dispute Resolution

Mandatory Fee Dispute Resolution is now in effect for attorneys licensed in North Carolina. This encompasses not only specific issues in dispute, but also covers those instances where the client simply fails to pay. (Note: However, there is no dispute for the purpose of this program where the client has expressly acknowledged liability for the specific amount of the bill but states that he/she cannot presently pay the bill in question.)

Lawyers now have a professional responsibility under Rule 1.5 (f) of the Rules of Professional Conduct to:

1. make reasonable efforts to advise his or her client of the existence of the North Carolina State Bar's program of fee dispute resolution at least 30 days prior to initiating legal proceedings to collect the disputed fee; and
2. participate in good faith in resolution of the fee dispute if such is subject to the jurisdiction of any duly constituted fee resolution committee of the North Carolina State Bar or any of its constituent district bars if the client submits a proper request for fee resolution.

Acceptable Form Letter for Compliance with Amended Rule 1.5 (f)

[Client Name]

[Address]

RE: [Description of Representation]

Dear [Client]:

This letter is to notify you that [I/this firm] intend[s] to initiate legal action to collect the unpaid [fees/fees and expenses] owed this firm in connection with the above described representation. Pursuant to the North Carolina State Bar's Rules of Professional Conduct, [I/we] must advise you of the existence of the State Bar's program of fee dispute resolution at least 30 days prior to initiating legal proceedings.

Should you dispute the fees or expenses, you may request resolution of the dispute by contacting the fee dispute coordinator, at the North Carolina State Bar in Raleigh, North Carolina, at (919) 828-4620. She can provide you with more information about the fee dispute resolution program and a petition to be used in requesting resolution. Participation by an attorney in fee dispute resolution proceedings is mandatory when requested by a client.

If you have not filed a petition for fee dispute resolution with the State Bar within 30 days of the date of this letter, [I/we] will proceed with legal action to resolve this fee dispute. In the meantime, please do not hesitate to call me if you have any questions, or if you wish to discuss this matter further.

Sincerely,

[Attorney]